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Via Electronic Filing

Marlene H. Dortch
Secretary
Federal Communications Commission
445 Twelfth St., SW
Washington, DC 20554

Re: WC Docket Nos. 02-202, 02-304, 02-317, 02-319, 02-340, Security Deposit Tariffs
WC Docket No. 02-112, Section 272(f)(1) Sunset

Dear Ms. Dortch,

On December 9th, Richard Whitt and Alan Buzacott of WorldCom, Inc. (WorldCom) met with Matthew Brill, Senior Legal Advisor to Commissioner Kathleen Q. Abernathy, to discuss the Commission's investigations of LEC security deposit tariffs. The attached presentation formed the basis of the discussion. Furthermore, WorldCom noted that accelerated payment schedules are burdensome to customers and that shortened notice periods provide the incumbent LECs with excessive leverage. The broad application of such measures, particularly the application of such measures to customers that have no history of significant payment discrepancies, would not be reasonable.

In the meeting, WorldCom also recommended that the Commission retain the Section 272 safeguards because market conditions in New York have not changed significantly in the three years since Verizon was granted interLATA authority. Competitors remain dependent on Verizon facilities for access to their customers, and Verizon's opportunities for cost shifting are undiminished. Given that the factors that led Congress to adopt the Section 272 safeguards still exist, the Commission should retain those safeguards.

WorldCom also stressed that the Commission should adopt special access performance reporting requirements before allowing the Section 272 safeguards to sunset. At a minimum, as recommended by virtually all state commission commenters, the Commission should extend the Section 272 safeguards on an interim basis. That extension would allow the Commission time to (1) adopt special access performance reporting requirements; (2) complete its evaluation of the first Verizon audit report; and (3) examine the second Verizon audit report, due to be released in 2003. WorldCom also pointed out the sunset of Verizon's section 272 safeguards would have the anomalous result that an RBOC would be subject to weaker safeguards than the Section 64.1901-1903 rules applicable to independent LECs.

Pursuant to Section 1.1206(b)(2) of the Commission's rules, this letter is being provided for inclusion in the record of the above-referenced proceedings.

Sincerely,

/s/ Alan Buzacott

Alan Buzacott

Attachment

cc: Matt Brill